

NSC BRIEFING

6 August 1958

MIDDLE EAST

- I. Lebanese rebels still pressing for immediate political victory, seeking quick withdrawal US troops and resignation or departure of Chamoun and Primin Sulh from country. To this end, they using same means they have used since inception of rebellion:
- A. Terrorism in towns to intimidate merchants into closing shops and carrying on so-called "general strike."
 - B. Keeping up minor military harassments, refusing to lay down arms until "demands" met. Chehab more relaxed and sees disadvantage of quick withdrawal.
- II. No improvement in Jordan situation.
- A. Syrians closed border on 3 August, thus cutting country off economically from practically all contact with outside world.
 - 1. PCL situation still touchy - Jordanians have not got back some 45 tank trucks caught by comp in Iraq, and may not get them until Iraqi-supplied PCL is paid for.
 - 2. Amman money changers now refusing change dollars except at heavy discounts, alleging that they in turn unable contact Beirut money market to sell them.

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- C. Talk growing in all circles Jordan that Husayn should do the "right thing" and abdicate to avoid a "bloodbath."

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III. Iraqi leaders still appear fearful presence US-UK troops in the area is aimed primarily at them. After more troops landed.

A. This fear probably encouraged by UAR "experts" who have flocked to Baghdad, since their services seem more essential if Western threat appears imminent.

1. No actual move yet by Iraqi regime to enter UAR or leave Baghdad Pact; both questions still obviously "under study" and could be subject of dispute within regime.

2. Nasir has said he believes there is some trouble within Baghdad government - rivalry between Prime Qasim and Deputy Prime Arif, and friction between civilian and military elements - but we see nothing yet to indicate really serious trouble.

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IV. Nasir reported contemplating

possible reorganization of UAR, with double objective in mind:

A. Free him from personal responsibility for Syrian problems, which may appear serious to him.

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1. Psychological - 6 months of UAR administration has not brought dynamic "new look" to Syria, and Nasir admitted this in recent speech in Alexandria;
 2. Economic - worst Syrian grain crop in ten years combined with poor budget planning could produce deficit which Syrians unable finance by themselves;
 3. Political - sniping among Syrian factions continues, occasionally breaks out in Damascus press, which is relatively undisciplined compared to Cairo's. Purge of Syrian officials may be brewing. Sarraj and Nasir said to agree that only solution for Syrian bureaucracy may be to put 500 officials in concentration camps in order to stop their endless talk and get them to do some work.
- B. Second objective would be permit Iraq and other Arab states to join in some form of union other than tight UAR structure (UAS with Yemen is actually sort of joke to Egyptians).
- C. Reorganization might take form of dissolution UAR and formation Arab federation with common army and foreign policy. Parallel authoritarian regimes would be similar in structure but each with individual responsibility for domestic affairs.
1. Such a set-up, if it included Iraq, would appeal especially to Syrians, who would hope to be geographic and political center of Egyptian-Syrian-Iraqi federation. Rumors on this already circulating in Damascus.

D. Nasir, in apparent calculated insult to US Government, put off meeting with Deputy Undersecretary of State Murphy scheduled for morning 6 August, until evening. Nasir's move reported to be in retaliation for recent US charges of Egyptian interference in Lebanon.

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Next 2 Page(s) In Document Exempt